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Eastern Connecticut
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Greater Hartford
Greater New Haven Greater
Stamford- New Canaan-Darien
Western Connecticut
Westport-Weston Wilton-Norwalk

**Testimony March 13th, 2014 Testimony before the Commerce
Committee in support of Senate Bill 75, An Act Increasing the Annual
Cap in the Neighborhood Assistance Act Tax Credit Program.**

Senator LeBeau and Representative Perone and members of the Commerce Committee. For the record, my name is Robert J. Fishman and I am the Executive Director of JFACT (Jewish Federation Association of Connecticut). We represent the 9 Federations in the state and over 25 charitable Jewish agencies many of which are also United Way Agencies. We very much want to thank the committee and Senator Looney for raising SB 75 to raise the cap on the Neighborhood Assistance Act from \$5 million to \$10 million dollars. The NAA program was started in 1982 at \$500,000 and over time has been raised to \$5 million due to its success as a 3 way partnership between the state, businesses and nonprofits.

The past 3 years, 2011-2013 has seen the \$5 million cap exceeded and therefore donations have been prorated by 11-22%. The program also started with eligibility from S corporations as well as C corporations but now only C corporations are eligible. We appreciate very much Senator Looney's efforts in sponsoring the bill to raise the cap to \$10 million and include provisions of \$3 million for tax credits already eligible. Our request is to alter the wording to allow for S Corporations and LLC's and Partnerships to be part of the \$3 million and the remaining \$7 million for C Corporations. The S Corporations could pass their credits through to the business owner's personal state income tax as an example. The legislature and Governor Malloy have been generous in offering state bonding money for nonprofit Capital improvements through OPM and we are very grateful. The value of the NAA program is that it offers businesses who wish to donate to charities for programs and operational costs the ability to do so which the OPM grant does not.

I also wanted to point out a few important statistics about Philanthropy in CT. According to the Connecticut Council for Philanthropy, our state ranks #1 in the nation in average household income at \$84,305. However, CT. ranks #26 in the amount contributed to charity as a percent of Adjusted Gross Income.

In summary, we request the committee to support SB 75 to increase the cap for Neighborhood Assistance Act to \$10 million and include \$3 million of this for S Corporations, Partnerships, and LLC's which are the smaller local businesses which are most familiar with the charities in their local businesses.

Sincerely,

Robert J. Fishman

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The Jewish Federation Association of Connecticut (JFACT) serves as a legislative representative for the nine Connecticut Jewish Federations and their associated agencies, an associate for the Jewish Community, a public affairs spokesperson and coordinator on statewide programs on issues of mutual interest and concern in the state of Connecticut and Israel